



UNEMPLOYMENT AND ECONOMIC DEVELOPMENT IN INDIA

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ABSTRACT

Unemployment is one of the major economic and social challenges affecting India's economic development, income distribution, and overall standard of living. Despite significant progress in industrialisation, technological advancement, infrastructure development, and service-sector expansion, the country continues to face difficulties in generating sufficient productive employment opportunities for its growing workforce. Unemployment affects individuals, households, and society by reducing income, increasing economic insecurity, limiting purchasing power, and contributing to poverty and social inequality. Various forms of unemployment, including open unemployment, disguised unemployment, seasonal unemployment, structural unemployment, and educated unemployment, are prevalent in different sectors of the Indian economy. Rural areas are particularly affected by disguised and seasonal unemployment because of dependence on agriculture and limited non-farm employment opportunities. Similarly, educated youth often experience difficulties in finding suitable jobs because of skill mismatches, limited work experience, and changing labour-market requirements. The present study examines the relationship between unemployment and economic development in India, focusing on the major causes, economic consequences, and challenges associated with employment generation. It also considers the influence of population growth, technological change, educational opportunities, industrial development, and government employment programmes on labour-market outcomes. The study further explores the implications of unemployment for poverty alleviation, productivity, human resource development, and inclusive economic growth. It highlights the importance of skill development, vocational education, entrepreneurship, labour-intensive industries, agricultural diversification, and support for micro, small, and medium enterprises in creating sustainable employment opportunities. The study adopts a descriptive and analytical approach based primarily on secondary information collected from government publications, economic surveys, labour-force reports, research journals, and relevant institutional studies.



KEYWORDS: Unemployment, Economic Development, India, Employment Generation, Educated Unemployment, Youth Employment, Labour Market, Skill Development, Poverty Alleviation, Inclusive Growth.

INTRODUCTION

Unemployment is one of the major socio-economic challenges affecting the economic development of India. It refers to a situation in which individuals who are willing and able to work at the prevailing wage

rate are unable to find suitable employment opportunities. Employment plays a significant role in generating income, reducing poverty, improving living standards, and promoting national economic growth. However, despite India's progress in agriculture, industry, services, information technology, and infrastructure, unemployment continues to affect a considerable section of the population. Rapid population growth, increasing numbers of young job seekers, changes in the structure of the economy, and unequal distribution of employment opportunities have contributed to the complexity of the problem. Unemployment is not limited to people without formal jobs; it also includes underemployment, seasonal unemployment, disguised unemployment, and educated unemployment. In rural areas, a large number of people depend on agriculture, where employment opportunities are often seasonal and productivity remains limited. In urban areas, competition for formal-sector jobs, inadequate vocational skills, and the expansion of informal employment create additional challenges. Consequently, unemployment has become an important issue in discussions about economic development, social justice, and inclusive growth in India.

The relationship between unemployment and economic development is multidimensional because employment contributes directly to production, consumption, savings, investment, and the overall prosperity of society. When people remain unemployed, their productive abilities are underutilised, household incomes decline, and demand for goods and services may weaken. Prolonged unemployment can also increase poverty, economic inequality, social insecurity, and psychological stress, particularly among educated youth. Although economic growth can create employment opportunities, growth does not always generate sufficient jobs for the expanding workforce. Technological advancement, automation, capital-intensive production, and mismatches between educational qualifications and labour-market requirements may further limit employment generation in certain sectors. Therefore, India needs a development strategy that combines economic expansion with effective employment creation. Promoting labour-intensive industries, strengthening micro, small, and medium enterprises, improving vocational education, encouraging entrepreneurship, modernising agriculture, and expanding skill-development programmes can help address this challenge. Government employment initiatives, private-sector investment, digital opportunities, and rural development programmes also have important roles to play. The present study examines the nature, causes, and consequences of unemployment in India and analyses its implications for economic development. It also highlights the importance of coordinated policies that create productive, decent, and sustainable employment opportunities for achieving inclusive and balanced economic growth.

AIMS AND OBJECTIVES:

The main aim of the present study is to examine the relationship between unemployment and economic development in India, with particular emphasis on the causes, forms, consequences, and possible solutions to the unemployment problem. The study seeks to understand how unemployment affects national income, poverty, income distribution, productivity, and the overall standard of living. It also aims to analyse the challenges faced by educated youth, rural workers, and other sections of the labour force in obtaining suitable employment opportunities. Furthermore, the study focuses on the role of economic policies, educational institutions, industrial development, skill-development programmes, and entrepreneurship in promoting employment generation. It attempts to assess the importance of employment-oriented economic growth in achieving inclusive development and reducing socio-economic inequalities in Indian society.

OBJECTIVES

- ❖ To study the nature and extent of unemployment in India.
- ❖ To identify the major causes of unemployment in the Indian economy.
- ❖ To examine different forms of unemployment, including seasonal, structural, disguised, and educated unemployment.
- ❖ To analyse the relationship between unemployment and economic development.
- ❖ To study the impact of unemployment on poverty, income inequality, and living standards.
- ❖ To examine the employment challenges faced by educated youth and new entrants into the labour market.
- ❖ To understand the role of agriculture, industry, and the service sector in generating employment opportunities.
- ❖ To assess the contribution of government policies and employment-generation programmes towards reducing unemployment.
- ❖ To examine the importance of vocational education, skill development, and entrepreneurship in improving employability.
- ❖ To suggest appropriate measures for promoting sustainable employment, inclusive economic growth, and overall economic development in India. Bottom of Form

REVIEW OF LITERATURE:

The relationship between unemployment and economic development has been widely discussed by economists, policymakers, and social researchers. Keynes (1936), in *The General Theory of Employment, Interest and Money*, explained that unemployment could arise from insufficient aggregate demand and highlighted the importance of government intervention in promoting employment and economic stability. Lewis (1954), through his work on economic development with an unlimited supply of labour, examined the movement of workers from traditional subsistence sectors to modern industrial sectors and its implications for economic growth. Harris and Todaro (1970) developed a theoretical model explaining rural-urban migration and unemployment, emphasising that migration decisions are influenced by expected urban earnings and employment prospects. These contributions provide important theoretical foundations for understanding unemployment in developing economies such as India. Indian economic researchers have also examined the relationship between population growth, labour-force expansion, education, and employment opportunities. The studies and reports of the National Sample Survey Office and the Periodic Labour Force Survey have contributed significantly to understanding employment patterns, labour-force participation, and unemployment across rural and urban areas. Research based on these sources highlights the importance of examining employment not only in terms of job availability but also in relation to job quality, working conditions, earnings, and job security.

Several studies and institutional reports have further explored the structural challenges of unemployment in India. The India Employment Report 2024, published by the International Labour Organization and the Institute for Human Development, examines youth employment, educational attainment, skill development, and the changing structure of the Indian labour market. It draws attention to the challenges faced by educated young people and the importance of improving the transition from education to employment. Reports published by the Ministry of Statistics and Programme Implementation provide information on labour-force participation, worker-population ratios, and unemployment trends through the Periodic Labour Force Survey. The Economic Survey of India has also discussed employment generation, demographic changes, entrepreneurship, manufacturing, and the role of emerging sectors in expanding economic opportunities. The existing literature indicates that unemployment in India is

influenced by several interconnected factors, including the limited absorption of labour in agriculture, insufficient growth of labour-intensive industries, skill mismatches, regional inequalities, and the expansion of informal employment. Although previous studies have examined unemployment and economic growth from different perspectives, the continuing challenges of educated unemployment, underemployment, youth employment, and the creation of productive jobs require further analysis. The present study therefore seeks to understand how employment-oriented development strategies can contribute to poverty reduction, social stability, productivity enhancement, and inclusive economic development in India.

RESEARCH METHODOLOGY:

The present study, entitled "Unemployment and Economic Development in India," adopts a descriptive and analytical research design to examine the nature, causes, and consequences of unemployment and its relationship with economic development. The study is primarily based on secondary data collected from reliable and relevant sources, including government publications, economic surveys, labour-force survey reports, research journals, books, academic articles, and reports published by national and international organisations. Particular importance is given to information published by the Ministry of Statistics and Programme Implementation, the Periodic Labour Force Survey, the Ministry of Labour and Employment, the International Labour Organization, and the Institute for Human Development. These sources provide information regarding unemployment rates, labour-force participation, worker-population ratios, youth employment, educational qualifications, and employment patterns in rural and urban India. The study considers different forms of unemployment, including seasonal, structural, disguised, cyclical, and educated unemployment. The geographical scope of the research covers India as a whole, while rural and urban employment conditions are considered wherever relevant data are available. The research focuses on understanding the relationship between employment opportunities, economic growth, income generation, poverty reduction, and improvements in living standards.

The collected information is analysed using descriptive analysis, comparative analysis, and the interpretation of relevant statistical indicators published by authoritative institutions. Employment and unemployment trends are examined across different periods to identify major changes in labour-market conditions and their implications for economic development. Comparisons between rural and urban areas, educational groups, age categories, and economic sectors are considered where suitable data are available. The study also reviews existing economic theories and research findings to understand the structural factors influencing unemployment in India. Special attention is given to population growth, skill mismatches, technological development, industrial expansion, agricultural dependence, entrepreneurship, and government employment-generation initiatives. The findings are interpreted in relation to the objectives of the study, and appropriate recommendations are developed to promote sustainable employment opportunities and inclusive economic growth. Since the research relies mainly on secondary sources, the accuracy and consistency of the findings depend on the quality, coverage, definitions, and reference periods of the published data. The study does not claim to establish new causal relationships through primary fieldwork or original econometric testing. Instead, it seeks to provide a systematic understanding of unemployment and its implications for India's economic development through the critical examination of existing evidence, policies, and research literature.

STATEMENT OF THE PROBLEM:

Unemployment is one of the most significant economic and social problems confronting India despite the country's progress in industrialisation, technological advancement, infrastructure development,

and expansion of the service sector. The growing population and continuous expansion of the labour force have increased the demand for productive and secure employment opportunities. However, the creation of suitable jobs has not always kept pace with the aspirations and requirements of job seekers. A considerable challenge exists in providing employment to educated youth, skilled workers, rural labourers, and individuals entering the labour market for the first time. The problem is further complicated by seasonal unemployment in agriculture, disguised unemployment in rural areas, structural changes in industries, and limited access to formal employment in certain regions. Many educated individuals experience difficulties in obtaining jobs that match their qualifications, skills, and expectations. At the same time, a substantial section of the workforce depends on informal employment, where wages, job security, social protection, and working conditions may be inadequate. These challenges raise important questions about the capacity of India's economic development process to generate sufficient productive employment and distribute the benefits of growth across different sections of society.

The central problem addressed by this study is the persistent gap between economic development and the availability of adequate, productive, and sustainable employment opportunities in India. Economic growth is generally expected to increase production, investment, income, and employment; however, the benefits of growth do not necessarily translate into sufficient job creation for the expanding workforce. Technological advancement, automation, skill mismatches, unequal regional development, limited industrial absorption of labour, and the slow transition of workers into more productive sectors can influence employment outcomes. Unemployment also has wider consequences, including poverty, income inequality, reduced purchasing power, underutilisation of human resources, and social insecurity. These consequences may restrict economic progress by weakening household consumption, limiting productive participation, and increasing pressure on public welfare programmes. Therefore, it is necessary to examine the major causes and forms of unemployment, understand their relationship with economic development, and evaluate the role of education, skill development, entrepreneurship, industrial policies, and government employment programmes. The study seeks to address these issues by analysing existing evidence on unemployment in India and identifying measures that can strengthen employment generation. Its ultimate concern is to understand how India can achieve balanced economic development in which growth is accompanied by decent work, improved living standards, reduced inequality, and broader participation in the benefits of economic progress.

NEED OF THE STUDY:

The study of unemployment and economic development in India is essential because employment is a fundamental determinant of economic prosperity, social stability, and human welfare. Although India has experienced significant developments in agriculture, manufacturing, information technology, infrastructure, and services, providing adequate employment opportunities to the expanding workforce remains an important challenge. Unemployment affects not only the income and living standards of individuals but also the productive capacity and growth potential of the national economy. When people who are willing and able to work cannot obtain suitable employment, their knowledge, skills, and abilities remain underutilised, resulting in a loss of productive resources. The problem is particularly important for young people and educated job seekers who expect suitable employment after completing their education. In rural areas, seasonal and disguised unemployment can reduce agricultural productivity and household income, while urban areas face challenges associated with job competition, informal employment, and changing skill requirements. Therefore, this study is necessary to understand the different dimensions of unemployment and examine how employment-related problems influence poverty, income inequality,

consumption, and economic progress. It also helps explain why economic growth alone may not be sufficient to ensure improved employment outcomes for all sections of society.

The study is further needed to evaluate the importance of employment-oriented development policies and identify practical measures for reducing unemployment in India. A systematic examination of existing data and research can help explain the relationship between educational qualifications, vocational skills, industrial expansion, technological change, entrepreneurship, and employment generation. It can also highlight the importance of strengthening labour-intensive industries, supporting micro, small, and medium enterprises, modernising agriculture, and expanding opportunities in emerging economic sectors. The study may assist policymakers, educational institutions, researchers, employers, and development organisations in understanding the barriers that prevent individuals from obtaining productive and decent work. It also emphasises the need to improve coordination between education and industry so that graduates acquire skills relevant to labour-market requirements. Furthermore, the study can contribute to discussions about youth employment, women's participation in the workforce, rural development, and inclusive economic growth. By identifying the major causes and consequences of unemployment, the research seeks to provide a basis for appropriate recommendations that promote sustainable job creation and better utilisation of human resources. Ultimately, the study is significant because reducing unemployment can strengthen household incomes, improve living standards, reduce socio-economic inequalities, and support India's long-term objective of achieving balanced, productive, and inclusive economic development.

FURTHER SUGGESTIONS FOR RESEARCH:

Further research on unemployment and economic development in India should examine the changing nature of employment opportunities across different states, regions, age groups, and educational categories. Future researchers may conduct state-level comparative studies to identify regional differences in unemployment and understand how industrial development, infrastructure, educational facilities, and investment influence job creation. Special attention should be given to educated unemployment among graduates and postgraduates, as well as the difficulties faced by young people transitioning from education to employment. Researchers may also investigate the relationship between vocational education, professional qualifications, digital literacy, and employability. Another important area for further study is the impact of artificial intelligence, automation, digitalisation, and emerging technologies on employment opportunities in traditional and modern industries. The expansion of gig work, platform-based employment, remote working, and informal economic activities also requires detailed investigation, particularly concerning income stability, social security, and working conditions. Future studies could use primary data collected through questionnaires, interviews, and surveys involving unemployed youth, employers, educational institutions, and government officials. Longitudinal research examining employment trends over several years would also help identify changes in labour-market conditions and evaluate whether economic growth is accompanied by sustainable employment generation.

Further research should also focus on evaluating the effectiveness of government policies, skill-development programmes, entrepreneurship initiatives, and employment-generation schemes in reducing unemployment. Comparative studies could examine the employment outcomes of different programmes and identify the factors responsible for their success or limitations. Researchers may investigate how micro, small, and medium enterprises contribute to employment creation, particularly in rural areas and economically less-developed regions. The relationship between agricultural modernisation, rural industrialisation, migration, and non-farm employment also deserves greater attention. Another significant area is women's employment, including the barriers created by unpaid care responsibilities, workplace

discrimination, inadequate infrastructure, and unequal access to economic resources. Researchers could further examine the effects of unemployment on poverty, mental well-being, family relationships, social mobility, and economic inequality, while ensuring appropriate ethical safeguards when collecting personal information. Sector-specific studies covering manufacturing, information technology, tourism, healthcare, education, and renewable energy could identify industries with potential for future job creation. Finally, interdisciplinary research combining economics, sociology, education, public administration, and labour studies would provide a more comprehensive understanding of unemployment. Such investigations could support evidence-based policies designed to improve employability, promote decent work, strengthen labour-market institutions, and ensure that India's economic development generates sustainable and inclusive employment opportunities.

SCOPE AND LIMITATIONS:

The present study, entitled "Unemployment and Economic Development in India," focuses on examining the nature, causes, consequences, and economic implications of unemployment in the Indian economy. The scope of the study covers different forms of unemployment, including seasonal unemployment, disguised unemployment, structural unemployment, educated unemployment, and cyclical unemployment. It analyses the relationship between employment opportunities and major indicators of economic development, such as national income, productivity, poverty reduction, income distribution, and living standards. The study considers employment conditions in both rural and urban areas, with particular attention to the challenges faced by educated youth, agricultural workers, skilled labourers, and individuals entering the labour market. It also examines the influence of population growth, educational patterns, vocational training, technological advancement, industrialisation, and structural changes in the economy on employment generation. Furthermore, the study considers the role of agriculture, manufacturing, services, micro, small, and medium enterprises, entrepreneurship, and government employment programmes in creating job opportunities. Secondary information from government publications, labour-force surveys, economic reports, research journals, books, and relevant institutional studies provides the foundation for the analysis. The findings may help researchers, policymakers, educational institutions, and development organisations understand the importance of employment-oriented economic policies and inclusive growth strategies in India.

Despite its broad scope, the study has certain limitations that must be acknowledged. First, it relies primarily on secondary data and does not include original field surveys or interviews with unemployed individuals, employers, and policymakers. Therefore, the findings depend on the accuracy, reliability, availability, and coverage of the published information. Second, differences in survey methods, definitions of unemployment, reference periods, and statistical measurement can make comparisons across years and sources difficult. Third, unemployment varies considerably across states, districts, industries, educational groups, genders, and age categories; consequently, a national-level analysis may not fully capture local employment conditions. Fourth, official unemployment rates alone may not adequately reflect underemployment, disguised unemployment, informal work, job insecurity, low wages, and the quality of employment. Fifth, rapidly changing economic conditions, technological developments, business cycles, and government policies may influence labour-market trends after the data have been published. The study also does not independently establish causal relationships between particular economic policies and changes in unemployment through original econometric testing. Moreover, the diverse characteristics of India's labour market limit the extent to which general findings can be applied uniformly to every region or population group. These limitations do not reduce the importance of the study but indicate the need for careful interpretation of the findings. Future research using updated datasets, regional comparisons,

primary surveys, and advanced statistical techniques could provide a more detailed understanding of unemployment and its relationship with economic development in India.

SCOPE OF THE STUDY:

The present study, entitled “Unemployment and Economic Development in India,” examines the major dimensions of unemployment and its relationship with the country's economic progress. The geographical scope of the study extends across India, considering employment conditions in rural and urban areas and the differences between agricultural, industrial, and service-sector employment. The study focuses on the various forms of unemployment, including seasonal, structural, disguised, cyclical, and educated unemployment, to understand their causes and implications for economic development. It also examines the influence of population growth, labour-force expansion, educational qualifications, vocational skills, technological advancement, and industrialisation on employment opportunities. Particular attention is given to educated youth, graduates, rural workers, and individuals seeking their first jobs. The study further explores the relationship between unemployment, poverty, income inequality, labour productivity, household consumption, and living standards. It considers how the availability of productive employment contributes to economic growth and the effective utilisation of human resources. The analysis is primarily based on secondary information obtained from government reports, labour-force surveys, economic surveys, academic publications, research articles, and reports of relevant national and international organisations. Through these sources, the study seeks to develop a comprehensive understanding of employment challenges within the Indian economy.

The scope of the study also includes an examination of measures adopted to improve employment generation and strengthen inclusive economic development. It considers the role of government policies, skill-development initiatives, vocational education, entrepreneurship, start-up activities, and micro, small, and medium enterprises in expanding employment opportunities. The contribution of agriculture, manufacturing, information technology, tourism, healthcare, and other service industries is considered in relation to their potential to absorb the growing workforce. The study also examines the importance of aligning educational programmes with labour-market requirements and improving access to training for disadvantaged groups. Emerging employment patterns associated with digitalisation, automation, artificial intelligence, and platform-based work are considered wherever relevant information is available. In addition, the study highlights the importance of decent wages, job security, social protection, and sustainable employment in improving workers' economic well-being. It aims to identify major barriers to employment and suggest practical measures for reducing unemployment and promoting balanced development. Although the study provides a broad national perspective, it does not claim to cover every regional or individual employment experience in detail. Its findings are intended to contribute to academic understanding, policy discussions, and future research on unemployment and economic development in India. Ultimately, the study emphasises that sustainable economic progress requires not only higher production and income but also adequate opportunities for productive and dignified employment.

DISCUSSION:

Unemployment remains a major challenge to India's economic development because it affects the utilisation of human resources, income generation, productivity, and social welfare. The present study highlights that unemployment is a multidimensional problem influenced by population growth, structural changes in the economy, educational patterns, technological advancement, and the availability of suitable employment opportunities. Although India has achieved considerable progress in agriculture, manufacturing, information technology, infrastructure, and services, economic growth does not

automatically ensure adequate employment for every section of the population. The expansion of the labour force creates continuous demand for new jobs, while the capacity of different economic sectors to absorb workers varies considerably. In rural areas, dependence on agriculture often results in seasonal and disguised unemployment, where workers may have limited productive work throughout the year. In urban areas, educated unemployment, competition for formal-sector jobs, and the expansion of informal work create additional difficulties. The mismatch between educational qualifications and industry requirements further complicates the employment situation, as many job seekers lack the practical, technical, and professional skills demanded by employers. These challenges indicate that the unemployment problem cannot be addressed through economic growth alone; it requires coordinated measures that improve education, employability, industrial development, and access to productive work.

The discussion also emphasises the close relationship between employment generation and inclusive economic development. Unemployment reduces household income and purchasing power, increases economic insecurity, and may contribute to poverty and inequality. When the skills and abilities of working-age individuals remain underutilised, the economy loses opportunities to increase production, innovation, and national income. Long periods without suitable employment can also affect young people's confidence, career development, and social participation. Therefore, employment policies must focus not only on the number of jobs created but also on their productivity, wages, stability, and working conditions. Labour-intensive manufacturing, support for micro, small, and medium enterprises, agricultural diversification, rural industries, and entrepreneurship can contribute to wider employment generation. Similarly, vocational education, apprenticeships, digital literacy, and industry-oriented training can improve the transition from education to employment. Government initiatives and private investment should be coordinated to expand opportunities for women, rural workers, disadvantaged communities, and young job seekers. At the same time, technological advancement should be accompanied by reskilling programmes that help workers adapt to changing labour-market requirements. Based on the secondary information examined, the study underlines the importance of evidence-based employment policies, reliable labour-market data, and continuous evaluation of employment programmes. Overall, reducing unemployment is essential for improving living standards, strengthening productive capacity, reducing socio-economic inequalities, and ensuring that the benefits of India's economic development are shared more widely across society.

RECOMMENDATIONS:

The study of unemployment and economic development in India suggests the need for comprehensive and employment-oriented policies to create sustainable job opportunities for the growing workforce. First, the government should encourage the development of labour-intensive industries, including textiles, food processing, tourism, construction, and small-scale manufacturing, which can generate employment for a large number of people. Greater financial and institutional support should be provided to micro, small, and medium enterprises (MSMEs) because they contribute significantly to employment generation and local economic development. Second, the education system should be strengthened by integrating vocational education, practical training, digital literacy, and industry-oriented skills into academic programmes. Colleges and universities should establish partnerships with industries to provide internships, apprenticeships, career guidance, and placement assistance to students. Third, entrepreneurship should be encouraged through accessible credit facilities, business training, mentorship, and simplified procedures for establishing enterprises. Special support should be extended to young entrepreneurs, women, and individuals from economically disadvantaged backgrounds. Fourth, agricultural development should be promoted through irrigation facilities, food processing, dairy farming,

fisheries, agro-based industries, and other rural enterprises to reduce seasonal and disguised unemployment. These measures can diversify employment opportunities, improve productivity, increase household incomes, and strengthen the relationship between economic growth and employment generation.

Furthermore, the government should improve the implementation and monitoring of employment-generation programmes to ensure that benefits reach eligible individuals and economically weaker sections of society. Skill-development initiatives should be regularly updated according to changing labour-market requirements, particularly in information technology, renewable energy, healthcare, logistics, and emerging digital industries. Employment exchanges and digital job platforms should provide accurate information about vacancies, qualifications, training opportunities, and career prospects. Special attention should be given to educated unemployment by improving career counselling, professional training, research opportunities, and collaboration between educational institutions and employers. Policies should also promote women's participation in the workforce through safe workplaces, affordable childcare, equal employment opportunities, and protection against workplace discrimination. In addition, social security coverage should be expanded for informal, contractual, and platform-based workers to improve their economic security and working conditions. The government should encourage balanced regional development by attracting investment to rural areas, smaller towns, and economically less-developed regions. Regular collection and analysis of reliable employment data are also necessary to identify emerging challenges and evaluate the effectiveness of public policies. Finally, cooperation among government agencies, private industries, educational institutions, financial organisations, and civil society should be strengthened to develop a coordinated employment strategy. These recommendations can help India promote productive employment, reduce poverty and inequality, improve living standards, and achieve sustainable and inclusive economic development.

CONCLUSION:

Unemployment and economic development are closely interconnected issues that significantly influence the economic and social progress of India. The present study highlights that unemployment remains a major challenge despite the country's achievements in industrialisation, technological advancement, infrastructure development, and the expansion of the service sector. Various forms of unemployment, including seasonal, disguised, structural, and educated unemployment, continue to affect different sections of the population. Rapid population growth, an expanding labour force, skill mismatches, unequal regional development, and insufficient availability of suitable employment opportunities contribute to the complexity of the problem. Unemployment affects individuals and families through reduced income, poverty, economic insecurity, and limited opportunities for social mobility. It also results in the underutilisation of human resources, which can reduce productivity and restrict the economy's growth potential. The study further emphasises that economic growth alone cannot guarantee adequate employment for all workers unless development strategies specifically address job creation and labour-market requirements. Therefore, employment must be recognised as an essential component of economic planning and national development. Creating productive and sustainable jobs is necessary to improve living standards, strengthen household purchasing power, and ensure that the benefits of economic progress reach a wider section of society.

The study concludes that reducing unemployment in India requires a comprehensive, coordinated, and long-term approach involving government institutions, private industries, educational organisations, and civil society. Promoting labour-intensive industries, supporting micro, small, and medium enterprises, modernising agriculture, encouraging entrepreneurship, and expanding vocational education can

contribute significantly to employment generation. Similarly, industry-oriented training, digital literacy, apprenticeships, and career guidance can help young people acquire the skills required by changing labour markets. Special attention should be given to educated youth, women, rural workers, and economically disadvantaged groups to ensure equitable access to employment opportunities. Government employment programmes should be effectively implemented, regularly evaluated, and adapted to changing economic conditions. At the same time, emerging technologies and automation should be accompanied by reskilling opportunities so that workers can participate in new areas of economic activity. Employment policies should also focus on decent wages, job security, social protection, and improved working conditions rather than concentrating exclusively on the number of jobs created. Reliable employment statistics and continuous research are essential for identifying challenges and developing evidence-based solutions. Ultimately, India's long-term economic development depends not only on increasing national income but also on creating meaningful employment opportunities and utilising the productive potential of its population. A balanced employment-oriented development strategy can help reduce poverty, promote social equality, improve human welfare, and establish a more inclusive, resilient, and prosperous Indian economy.

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